



## Town of Boylston

# Cash Handling and Turnover Policies and Procedures

Approved by Town Administrator: 07/18/2019

Approved by Board of Selectmen: 08/12/2019

### A. PURPOSE:

The purpose of this document is to establish sound cash handling and turnover controls and practices. To ensure ALL cash receipts are deposited; and recorded on a timely basis. To safeguard employees from inappropriate charges of mishandling town funds. To clearly define employee responsibilities in the cash handling process.

### B. SCOPE:

**Cash includes currency, checks, money orders, negotiable instruments, credit/debit transactions, deposits, and website payments.** All town employees, including general government and school employees, who are entrusted with the receipt, deposit, and/or handling of cash are expected to follow these policies and procedures. Historical practices shall not constitute justification for deviation. The material contained in this document supersedes any previous policies and procedures regarding the handling of cash.

### C. AUTHORITY:

MGL Chapter 41 S 35: The Treasurer/Tax Collector receives and takes charge of all money belonging to the Town and pays all bills. The Treasurer reserves the right to make changes, interpretations, and exceptions to the policies and procedures contained in this document.

### D. POLICIES:

All employees are responsible for understanding and following these policies and procedures.

All departments must establish a schedule to turn over ALL cash receipts to the Treasurer/Tax Collector's Office at least **MONTHLY**. Additionally, a turnover must be completed immediately should a department collect a total of **\$250 in currency** and/or **\$1000 in total cash**. Turnovers made up exclusively of deposit slips and/or website payments can be made on a monthly basis.

No bank account can be used for Town funds unless it has been established by the Treasurer/Tax Collector's Office.

The town's tax identification number cannot be used for any funds other than town funds.

Each department is responsible to establish procedures in collaboration with the Treasurer/Tax Collector's Office to safeguard the collections and remittance of cash receipts until turnover over to the Treasurer/Tax Collector. Departmental procedures shall at a minimum include those procedures found in Section E.



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The Town Accountant, Treasurer/Tax Collector and/or Auditor may periodically, perform site visits to the departments to audit the cash handling and turnover process.

The Town Accountant may periodically, compare the cash/check breakdown per the turnover to the respective bank deposit slip prepared by the Treasurer's Office.

### E. PROCEDURES

1. Reasonable care should be taken to ensure that currency is genuine. Please refer to the following websites for tips in detecting counterfeit currency.  
Know Your Money: [http://www.secretservice.gov/money\\_detect.shtml](http://www.secretservice.gov/money_detect.shtml)  
New Money: <http://www.newmoney.gov/>  
*Note: If you suspect that an individual is presenting counterfeit currency contact the police department to handle the situation. Notify the Treasurer/Tax Collector after the incident occurs.*
2. Checks should be checked for the following:
  - Payable to the Town of Boylston- no third party checks are to be accepted.
  - Make sure the legal line (dollar amount written in words) is the same as the numerical amount. If there is a discrepancy the legal line prevails.
  - No postdated (dated in the future) checks are to be accepted.
  - No stale dated (older than 90 days) checks are to be accepted.
  - Checks must be signed.
  - Review the check for messages such not valid over \$100, void after 90 days, etc.
  - Starter or blank checks must be accompanied with valid ID. Write their name, address and phone number legibly on the check.
  - No cash can be returned to the taxpayer in the event a check exceeds the amount due to the Town. Overpayments must be refunded through the warrant.
  - All refunds must be processed through the warrant.
  - Check must be drawn on U.S. dollars.
3. Cash must be held in a secure place until turned over to the Treasurer/Tax Collector's Office.
4. At the time of payment, transactions should have a corresponding receipt, permit, license, certificate, etc. issued to the customer using the reference field.
5. Departments that utilize online payment websites will retrieve the appropriate reports detailing payments made to be submitted to the Treasurer/Tax Collector's office with the turnover form. Other cash receipts should not be combined with the same turnover form.
6. Departmental staff shall sign and hand delivers the three (3) copies of with the cash to the Treasurer/Collector's Office. Departmental staff is required to stay in the Treasurer/Tax Collector's Office during the validation process.



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7. When possible, turnovers should be presented at least one hour prior to the close of business to allow time for the Treasurer/Collector Office to deliver the cash to the bank.
8. The Treasurer/Tax Collector's Office is responsible for counting all forms of cash (currency, checks, money orders, negotiable instruments, credit/debit transactions, deposit slips, and website payment reports) and verifies the accuracy against the turnover form.
9. The Treasurer/Tax Collector's Office signs all three forms as a verification that the total amount indicated on the form reconciles with the total of all forms of cash presented. One copy is retained by the department, one by the Town Accountant and one by the Treasurer/Tax Collector.
10. The Treasurer/Tax Collector's Office signature on the turnover form indicates to the Town Accountant that the cash receipt has been validated and is ready to be posted to the general ledger. No receipts will be posted to the general ledger without a signed turnover form.
11. Each month bank statements are reconciled by the Treasurer/Tax Collector's Office and the Treasurer's cash is reconciled to the Town Accountant's general ledger.
12. Each department whom receives funds should periodically calculate the number of receipts, permits, licenses, certificates, etc. that have been issued/voided and the corresponding amount of money that should have been collected and compare that amount to the amount of money that was turned over to the Treasurer/Tax Collector Office. Voided items should be examined and explained to the satisfaction of the department head.
13. In the event that a check is returned (i.e. non-sufficient funds, closed account, refer to maker) the Treasurer/Tax Collector will attempt to redeposit the item. If the item is returned a second time then the Treasurer/Tax Collector Office will send a letter requesting a replacement check made by guaranteed funds along with a penalty of \$25.00 or one percent of the check, whichever is greater (Chapter 432 of the Acts of 1989 amending M.G.L. (60:57(A)), and Chapter 226 of the Acts of 1991, amending M.G.L. (44.69). If the party doesn't comply then the department is notified and the transaction is reversed.
14. Any theft or disappearance of cash should be immediately reported to the Treasurer/Tax Collector's Office.
15. Any questions or concerns should be directed to the Treasurer/Tax Collector's Office.

#### **F. ENFORCEMENT**

Violations of this policy may result in disciplinary action, up to and including termination of employment and/or legal action.

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